

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BOARD OF PATENT APPEALS AND INTERFERENCES

In re Application of Wolzenski, Bernard H., et al.

Serial No. 09/717,189
Confirmation No. 9504

Examiner Graham, C.
Group 3628

Filed: November 21, 2000

For: Process for Comprehensive Financial and Estate Planning

APPLICANT'S APPEAL BRIEF

This Brief is submitted in response to the Notice of Appeal dated October 1, 2007.

Date: Nov. 28, 2007

By: /Robert Kain/
Reg. No. 30,648
Fleit, Kain, Gibbons, Gutman, Bongini & Bianco, P.L.
750 Southeast Third Avenue, Suite 100
Ft. Lauderdale, FL 33316
Telephone: 954-768-9002
Facsimile: 954-768-0158
e-mail: rkain@focusonip.com
Attorney for Applicant

(i) **Real Party in Interest**

The real party in interest is Future System Advisors LLC (“FSA”) having an office at 2171 Quail Run Drive, Suite A, Baton Rouge, LA 70808. Applicant assigned all his rights to FSA in an assignment filed on March 13, 2007 at reel/frame 019003/0261. 34 C.F.R. § 41.37(c)(1)(i).

(ii) **Related Appeals and Interferences**

None. 34 C.F.R. § 41.37(c)(1)(ii).

(iii) **Status of Claims**

Claims 1 - 43 cancelled.

Claims 44 - 201 pending.

The application concurrently has claims 44-201. See Amendment filed December 28, 2006. The Examiner, in the Office Action dated April 10, 2007, rejects claims 1 - 43 and indicates that the Office Action responds to Applicant’s response of November 21, 2006. Enclosed with the November 21 response was (1) an Amendment which cancelled claims 1 - 43 and added new claims 44 - 108; (2) a Substitute Specification and (3) a Request for a Two Month Extension of Time. Therefore, the April 10, 2007 Office Action improperly refers to claims 1 - 43 which were cancelled by the November 21, 2006 response.

Prior to the April 10 Office Action but subsequent to the November amendment, Applicant filed a Supplemental Amendment with new claims 109 - 201 on December 28, 2006 and a Request for Publication on February 28, 2007.

Since claims 1 - 43 discussed in the April 10 Office Action were cancelled in the November 21, 2006 response, the rejections and the grounds for the Office Action are not applicable. 34 C.F.R. § 41.37(c)(1)(iii).

The final rejection of the application is appealed herein. The examiner never considered nor ruled on claims 44-201.

(iv) **Status of Amendments**

Applicant - FSA's request for clarification, filed April 17, 2007 after the Office Action dated April 10, 2007, was not considered by the Examiner. 34 C.F.R. § 41.37(c)(1)(iv).

(v) **Summary of Claimed Subject Matter 34 C.F.R. § 41.37(c)(1)(v).**

Claim set 44 - 108 include four (4) independent claims, 44, 62, 84 and 97. Claim 44 is summarized as follows:

(a) processing "an initial funding premium" to fund of the life insurance financial product; (b) subtracting funding charges and "determining an initial cash surrender value" for all investment funds or accounts with constitute the initial funding premium; (c) processing the allocation of the initial funding to one or more financial investment funds or accounts; (d) "on a daily basis, determining account values ... and calculating a corresponding cash surrender value;" (e) "determining a life insurance base death benefit amount ... as a function of said corresponding cash surrender value;" (f) the life insurance base death benefit "increasing and decreasing based upon said corresponding cash surrender value;" and (g) "deducting daily a cost of an at-risk insurance amount ... sufficient to retain life insurance status for said life insurance financial product."

Independent claim 62 is broader than claim 44 and is summarized as follows:

(a) processing an initial funding premium; (b) determining an initial cash surrender value by accounting for funding premium allocated in one or more investment accounts; (c) determining daily account values for investment accounts and calculating a corresponding cash surrender value; (d) determining a death benefit amount for the insured as a function of cash surrender value sufficient "to retain life insurance status for said life insurance financial product;" wherein the "death benefit amount increas[es] and decreas[es] based upon said corresponding cash surrender value;" and (f) deducting a cost of an at-risk insurance amount corresponding to said death benefit in an amount "sufficient to retain said life insurance status."

Independent claim 84 generally follows claim 62 but determines account values and the cash surrender value, "upon fluctuation of said investment accounts or on a daily basis." Independent

claim 97 also generally follows independent claim 62 but also claims “minimizing life insurance costs” by

(a) determining daily investment account values and cash surrender value; (b) “determining daily a minimum amount of life insurance death benefit for said insured” as a function of cash surrender value; (c) the “death benefit amount increasing and decreasing based upon said corresponding cash surrender value;” and (d) deducting a cost of an at-risk insurance amount corresponding to said death benefit amount “sufficient to retain said life insurance status.”

The specification discusses claim elements in claims 44, 62, 84 and 97 as noted below:

44. (annotated). A computerized method of establishing and maintaining a financial product as a life insurance product [11/24 refers to p. 11, line 24, referring to original specification] for an insured party [11/23] comprising:

processing an initial funding premium for said life insurance financial product; [10/1, 11/8];

subtracting funding charges [11/12-15] from said initial funding premium and determining an initial cash surrender value [11/16] for said life insurance financial product thereafter;

allocating said initial funding premium to one or more sub-accounts [11/18] of different financial investment funds or accounts [11/19, 3/13];

on a daily basis, determining account values for said different funds and accounts [12/4, 11/20, 12/21] and calculating a corresponding cash surrender value [11/26] for said life insurance financial product;

determining a life insurance base death benefit amount [11/21] for said insured as a function of said daily cash surrender value [11/22] sufficient to retain life insurance status under a net single premium method based on age declining ratio

to cash value amount for said life insurance financial product [11/21-25, 12/25 to 13/3] and age of the insured and his/her risk classification and smoking status [11/22], said life insurance base death benefit amount increasing and decreasing based upon said corresponding cash surrender value [10/25]; and,

deducting daily a cost of an at-risk insurance amount [5/19, 12/8, 13/18] corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product.

Independent claims 62, 84 and 97 find most of their explanation and support from the concepts cited in claim 44 above. In claim 62, support for: “investment accounts” is referenced at 3/13 - 15, 11/18 and “different funds” at 11/19. Fluctuating accounts and variable cash surrender value is discussed at 11/19 which supports claim 84. Minimizing the cost of at-risk insurance is discussed at 11/25, 12/25, 13/15-20; maximizing cash surrender value is discussed at 13/15-20. These portions of the specification on pages 11-13 support new claim 97.

Claims 109 - 201 are similar to claims 44 - 54 and 62 - 74 and 84 - 108 but the former relate to computer readable medium claims and computer system module claims.

(vi) Grounds of Rejection to Be Reviewed on Appeal 34 C.F.R. § 41.37(c)(1)(vi).

The Examiner, in the Office Action dated April 10, 2007, improperly rejected a set of claims (1 - 43) that are no longer in the case and never approved, rejected or commented on pending claims 44 - 201 currently in the case.

(v) Argument

The Examiner, in the Office Action dated April 10, 2007, improperly rejected a set of claims (1 - 43) that are no longer in the case and never approved, rejected or commented on claims 44 - 201

currently in the case. The PTO Rules state: “If the invention is not considered patentable, or not considered patentable as claimed, the claims, or those considered unpatentable will be rejected.”

37 C.F.R. §1.104(c)(1). Further, the Rules require a complete action by the Examiner.

The examination shall be complete with respect both to compliance of the application or patent under reexamination with the applicable statutes, rules, and other requirements, and to the patentability of the invention as claimed, as well as with respect to matters of form, unless otherwise indicated.

37 CFR §1.104(a)(1).

In the present application the Examiner neither approved, rejected nor commented on claims 44 - 201 currently in the case. The rejection of cancelled claims 1 - 43 was improper and contrary to the PTO rules.

Claim Appendix - 34 C.F.R. § 41.37(c)(1)(viii)

The claims involved in this appeal are reproduced below.

Claims

44. A computerized method of establishing and maintaining a financial product as a life insurance product for an insured party comprising:

processing an initial funding premium for said life insurance financial product;

subtracting funding charges from said initial funding premium and determining an initial cash surrender value for said life insurance financial product thereafter;

allocating said initial funding premium to one or more sub-accounts of different financial investment funds or accounts;

on a daily basis, determining account values for said different funds and accounts and calculating a corresponding cash surrender value for said life insurance financial product;

determining a life insurance base death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status under a net single premium method based on age declining ratio to cash value amount for said life insurance financial product and age of the insured and his/her risk classification and smoking status, said life insurance base death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and,

deducting daily a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product.

45. A computerized method for a life insurance product as claimed in claim 44 wherein the computerized method defines the funding of said life insurance financial product therein, effects the subtraction of said funding charges and effects the deducting of said cost of said at-risk insurance amount.
46. A computerized method for a life insurance product as claimed in claim 44 wherein determining said life insurance base death benefit amount sufficient to retain said life insurance status is correlated with retaining the tax status of life insurance under current law.
47. A computerized method for a life insurance product as claimed in claim 44 including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.
48. A computerized method for a life insurance product as claimed in claim 47 wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured.
49. A computerized method for a life insurance product as claimed in claim 44 wherein said different financial investment funds or accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount.
50. A computerized method for a life insurance product as claimed in claim 44 wherein subtracting said funding charges involves subtracting funding charges from the group of funding charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

51. A computerized method for a life insurance product as claimed in claim 50 wherein said funding charges are subtracted prior to determining account values and calculating said corresponding cash surrender value.
52. A computerized method for a life insurance product as claimed in claim 44 including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product.
53. A computerized method for a life insurance product as claimed in claim 44 including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value.
54. A computerized method for a life insurance product as claimed in claim 45 wherein determining said life insurance base death benefit amount sufficient to retain said life insurance status is correlated with retaining the tax status of life insurance under current law.
55. A computerized method for a life insurance product as claimed in claim 54 including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.
56. A computerized method for a life insurance product as claimed in claim 55 wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured.
57. A computerized method for a life insurance product as claimed in claim 56 wherein said different financial investment funds or accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount.

58. A computerized method for a life insurance product as claimed in claim 57 wherein subtracting said funding charges involves subtracting funding charges from the group of funding charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

59. A computerized method for a life insurance product as claimed in claim 58 wherein said funding charges are subtracted prior to determining account values and calculating said corresponding cash surrender value.

60. A computerized method for a life insurance product as claimed in claim 59 including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product.

61. A computerized method for a life insurance product as claimed in claim 60 including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value.

62. A computerized method of establishing and maintaining a financial product as a life insurance product for an insured party comprising:

processing an initial funding premium for said life insurance financial product;

determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts;

determining daily account values for said investment accounts and calculating a corresponding cash surrender value for said life insurance financial product;

determining a death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product, said

death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and,

deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain said life insurance status.

63. A computerized method for a life insurance product as claimed in claim 62 including deducting daily said cost of said at-risk insurance amount.

64. A computerized method for a life insurance product as claimed in claim 62 including determining said initial cash surrender value after accounting for initial funding charges.

65. A computerized method for a life insurance product as claimed in claim 64 including accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

66. A computerized method for a life insurance product as claimed in claim 65 wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value.

67. A computerized method for a life insurance product as claimed in claim 62 including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds.

68. A computerized method for a life insurance product as claimed in claim 62 wherein determining said death benefit amount is determining a life insurance base death benefit amount

sufficient to retain said life insurance status which status correlated with retaining the tax status of life insurance under current law.

69. A computerized method for a life insurance product as claimed in claim 62 including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.

70. A computerized method for a life insurance product as claimed in claim 69 wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured.

71. A computerized method for a life insurance product as claimed in claim 62 wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount.

72. A computerized method for a life insurance product as claimed in claim 62 including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product.

73. A computerized method for a life insurance product as claimed in claim 62 including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value.

74. A computerized method for a life insurance product as claimed in claim 62 including determining said initial cash surrender value after accounting for initial funding charges.

75. A computerized method for a life insurance product as claimed in claim 74 including accounting for initial funding charges, said initial funding charges being one or more charges from

the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

76. A computerized method for a life insurance product as claimed in claim 75 wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value.

77. A computerized method for a life insurance product as claimed in claim 76 including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds.

78. A computerized method for a life insurance product as claimed in claim 77 wherein determining said death benefit amount is determining a life insurance base death benefit amount sufficient to retain said life insurance status which status correlated with retaining the tax status of life insurance under current law.

79. A computerized method for a life insurance product as claimed in claim 78 including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.

80. A computerized method for a life insurance product as claimed in claim 79 wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured.

81. A computerized method for a life insurance product as claimed in claim 80 wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount.

82. A computerized method for a life insurance product as claimed in claim 81 including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product.

83. A computerized method for a life insurance product as claimed in claim 82 including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value.

84. A computerized method of establishing and maintaining a financial product as a life insurance product for an insured party comprising:

processing an funding initial funding premium for said life insurance financial product;

determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts;

upon fluctuation of said investment accounts or on a daily basis, determining account values for said investment accounts and calculating a corresponding cash surrender value for said life insurance financial product;

determining a death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product, said death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and,

deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain said life insurance status.

85. A computerized method for a life insurance product as claimed in claim 84 wherein determining said death benefit amount involves determining a life insurance base death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status under a net single premium method based on age declining ratio to cash value amount for said life insurance financial product and age of the insured and his/her risk classification and smoking status, said life insurance base death benefit amount increasing and decreasing based upon said corresponding cash surrender value.

86. A computerized method for a life insurance product as claimed in claim 84 including deducting daily, or upon said fluctuation of said investment accounts, said cost of said at-risk insurance amount.

87. A computerized method for a life insurance product as claimed in claim 86 including determining said initial cash surrender value after accounting for initial funding charges.

88. A computerized method for a life insurance product as claimed in claim 87 including accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

89. A computerized method for a life insurance product as claimed in claim 88 wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value.

90. A computerized method for a life insurance product as claimed in claim 84 including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds.
91. A computerized method for a life insurance product as claimed in claim 84 wherein determining said death benefit amount is determining a life insurance base death benefit amount sufficient to retain said life insurance status which status correlated with retaining the tax status of life insurance under current law.
92. A computerized method for a life insurance product as claimed in claim 84 including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.
93. A computerized method for a life insurance product as claimed in claim 92 wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured.
94. A computerized method for a life insurance product as claimed in claim 84 wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount.
95. A computerized method for a life insurance product as claimed in claim 84 including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product.

96. A computerized method for a life insurance product as claimed in claim 84 including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value.

97. A computerized method of establishing and maintaining a financial product as a life insurance product for an insured party comprising:

processing an initial funding premium for said life insurance financial product with;

determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts;

minimizing life insurance costs by:

determining daily account values for said investment accounts and calculating a corresponding cash surrender value for said life insurance financial product;

determining daily a minimum amount of life insurance death benefit for said insured as a function of said corresponding cash surrender value, said minimum life insurance with death benefit being that minimum required to maintain said life insurance financial product as life insurance and said death benefit amount increasing and decreasing based upon said corresponding cash surrender value;

deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product.

98. A computerized method for a life insurance product as claimed in claim 97 wherein said minimum life with death benefit being that minimum required to maintain said life insurance

financial product as life insurance is based upon said daily cash surrender value and an age declining ratio to cash value amount for said life insurance financial product.

99. A computerized method for a life insurance product as claimed in claim 97 including deducting daily said cost of said at-risk insurance amount.

100. A computerized method for a life insurance product as claimed in claim 97 including determining said initial cash surrender value after accounting for initial funding charges.

101. A computerized method for a life insurance product as claimed in claim 100 including accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

102. A computerized method for a life insurance product as claimed in claim 101 wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value.

103. A computerized method for a life insurance product as claimed in claim 97 including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds.

104. A computerized method for a life insurance product as claimed in claim 97 wherein determining said life insurance death benefit amount is determining a life insurance base death benefit amount sufficient to retain said life insurance status which status correlated with retaining the tax status of life insurance under current law.

105. A computerized method for a life insurance product as claimed in claim 97 including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.

106. A computerized method for a life insurance product as claimed in claim 105 wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured.

107. A computerized method for a life insurance product as claimed in claim 97 wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount.

108. A computerized method for a life insurance product as claimed in claim 97 including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value.

109. A computer readable medium containing programming instructions for establishing and maintaining a financial product as a life insurance product for an insured party, the programming instructions comprising:

processing an initial funding premium for said life insurance financial product;

subtracting funding charges from said initial funding premium and determining an initial cash surrender value for said life insurance financial product thereafter;

allocating said initial funding premium to one or more sub-accounts of different financial investment funds or accounts;

on a daily basis, determining account values for said different funds and accounts and calculating a corresponding cash surrender value for said life insurance financial product;

determining a life insurance base death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status under a net single premium method based on age declining ratio to cash value amount for said life insurance financial product and age of the insured and his/her risk classification and smoking status, said life insurance base death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and,

deducting daily a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product.

110. A computer readable medium with programming instructions for a life insurance product as claimed in claim 109 wherein the instructions define funding of said life insurance financial product therein, effect subtraction of said funding charges and effect deduction of said cost of said at-risk insurance amount.

111. A computer readable medium with programming instructions for a life insurance product as claimed in claim 109 wherein determining said life insurance base death benefit amount sufficient to retain said life insurance status is correlated with retaining the tax status of life insurance under current law.

112. A computer readable medium with programming instructions for a life insurance product as claimed in claim 109 including funding said life insurance financial product with additional

funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.

113. A computer readable medium with programming instructions for a life insurance product as claimed in claim 112 wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured.

114. A computer readable medium with programming instructions for a life insurance product as claimed in claim 109 wherein said different financial investment funds or accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount.

115. A computer readable medium with programming instructions for a life insurance product as claimed in claim 109 wherein subtracting said funding charges involves subtracting funding charges from the group of funding charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

116. A computer readable medium with programming instructions for a life insurance product as claimed in claim 115 wherein said funding charges are subtracted prior to determining account values and calculating said corresponding cash surrender value.

117. A computer readable medium with programming instructions for a life insurance product as claimed in claim 109 including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product.

118. A computer readable medium with programming instructions for a life insurance product as claimed in claim 109 including re-allocating said corresponding cash surrender value into other

financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value.

119. A computer readable medium with programming instructions for a life insurance product as claimed in claim 110 wherein determining said life insurance base death benefit amount sufficient to retain said life insurance status is correlated with retaining the tax status of life insurance under current law.

120. A computer readable medium containing programming instructions for establishing and maintaining a financial product as a life insurance product for an insured party, the programming instructions comprising:

- processing an initial funding premium for said life insurance financial product;

- determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts;

- determining daily account values for said investment accounts and calculating a corresponding cash surrender value for said life insurance financial product;

- determining a death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product, said death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and,

- deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain said life insurance status.

121. A computer readable medium with programming instructions for a life insurance product as claimed in claim 120 including deducting daily said cost of said at-risk insurance amount.

122. A computer readable medium with programming instructions for a life insurance product as claimed in claim 120 including determining said initial cash surrender value after accounting for initial funding charges.

123. A computer readable medium with programming instructions for a life insurance product as claimed in claim 122 including accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

124. A computer readable medium with programming instructions for a life insurance product as claimed in claim 123 wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value.

125. A computer readable medium with programming instructions for a life insurance product as claimed in claim 120 including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds.

126. A computer readable medium with programming instructions for a life insurance product as claimed in claim 120 wherein determining said death benefit amount is determining a life insurance base death benefit amount sufficient to retain said life insurance status which status correlated with retaining the tax status of life insurance under current law.

127. A computer readable medium with programming instructions for a life insurance product as claimed in claim 120 including funding said life insurance financial product with additional

funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.

128. A computer readable medium with programming instructions for a life insurance product as claimed in claim 120 wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured.

129. A computer readable medium with programming instructions for a life insurance product as claimed in claim 120 wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount.

130. A computer readable medium with programming instructions for a life insurance product as claimed in claim 120 including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product.

131. A computer readable medium with programming instructions for a life insurance product as claimed in claim 120 including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value.

132. A computer readable medium with programming instructions for a life insurance product as claimed in claim 120 including determining said initial cash surrender value after accounting for initial funding charges.

133. A computer readable medium containing programming instructions for establishing and maintaining a financial product as a life insurance product for an insured party, the programming instructions comprising:

processing an funding initial funding premium for said life insurance financial product;

determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts;

upon fluctuation of said investment accounts or on a daily basis, determining account values for said investment accounts and calculating a corresponding cash surrender value for said life insurance financial product;

determining a death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product, said death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and,

deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain said life insurance status.

134. A computer readable medium with programming instructions for a life insurance product as claimed in claim 133 wherein determining said death benefit amount involves determining a life insurance base death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status under a net single premium method based on age declining ratio to cash value amount for said life insurance financial product and age of the insured and his/her risk classification and smoking status, said life insurance base death benefit amount increasing and decreasing based upon said corresponding cash surrender value.

135. A computer readable medium with programming instructions for a life insurance product as claimed in claim 133 including deducting daily, or upon said fluctuation of said investment accounts, said cost of said at-risk insurance amount.

136. A computer readable medium with programming instructions for a life insurance product as claimed in claim 135 including determining said initial cash surrender value after accounting for initial funding charges.

137. A computer readable medium with programming instructions for a life insurance product as claimed in claim 136 including accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

138. A computer readable medium with programming instructions for a life insurance product as claimed in claim 137 wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value.

139. A computer readable medium with programming instructions for a life insurance product as claimed in claim 133 including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds.

140. A computer readable medium with programming instructions for a life insurance product as claimed in claim 133 wherein determining said death benefit amount is determining a life insurance base death benefit amount sufficient to retain said life insurance status which status correlated with retaining the tax status of life insurance under current law.

141. A computer readable medium with programming instructions for a life insurance product as claimed in claim 133 including funding said life insurance financial product with additional

funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.

142. A computer readable medium with programming instructions for a life insurance product as claimed in claim 141 wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured.

143. A computer readable medium with programming instructions for a life insurance product as claimed in claim 133 wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount.

144. A computer readable medium with programming instructions for a life insurance product as claimed in claim 133 including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product.

145. A computer readable medium with programming instructions for a life insurance product as claimed in claim 133 including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value.

146. A computer readable medium containing programming instructions for establishing and maintaining a financial product as a life insurance product for an insured party, the programming instructions comprising:

processing an initial funding premium for said life insurance financial product with;

determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts;

minimizing life insurance costs by:

determining daily account values for said investment accounts and calculating a corresponding cash surrender value for said life insurance financial product;

determining daily a minimum amount of life insurance death benefit for said insured as a function of said corresponding cash surrender value, said minimum life insurance with death benefit being that minimum required to maintain said life insurance financial product as life insurance and said death benefit amount increasing and decreasing based upon said corresponding cash surrender value;

deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product.

147. A computer readable medium with programming instructions for a life insurance product as claimed in claim 146 wherein said minimum life with death benefit being that minimum required to maintain said life insurance financial product as life insurance is based upon said daily cash surrender value and an age declining ratio to cash value amount for said life insurance financial product.

148. A computer readable medium with programming instructions for a life insurance product as claimed in claim 146 including deducting daily said cost of said at-risk insurance amount.

149. A computer readable medium with programming instructions for a life insurance product as claimed in claim 146 including determining said initial cash surrender value after accounting for initial funding charges.

150. A computer readable medium with programming instructions for a life insurance product as claimed in claim 149 including accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

151. A computer readable medium with programming instructions for a life insurance product as claimed in claim 150 wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value.

152. A computer readable medium with programming instructions for a life insurance product as claimed in claim 146 including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds.

153. A computer readable medium with programming instructions for a life insurance product as claimed in claim 146 wherein determining said life insurance death benefit amount is determining a life insurance base death benefit amount sufficient to retain said life insurance status which status correlated with retaining the tax status of life insurance under current law.

154. A computer readable medium with programming instructions for a life insurance product as claimed in claim 146 including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.

155. A computer readable medium with programming instructions for a life insurance product as claimed in claim 154 wherein funding said life insurance financial product with additional

funding premiums as per said schedule includes the step of not establishing insurability of said insured.

156. A computer readable medium with programming instructions for a life insurance product as claimed in claim 146 wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount.

157. A computer readable medium with programming instructions for a life insurance product as claimed in claim 146 including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value.

158. A computer system with functional modules for establishing and maintaining a financial product as a life insurance product for an insured party comprising:

means for processing an initial funding premium for said life insurance financial product;

means, coupled to said means for processing, for subtracting funding charges from said initial funding premium and determining an initial cash surrender value for said life insurance financial product thereafter;

means for allocating said initial funding premium to one or more sub-accounts of different financial investment funds or accounts;

means for determining account values, on a daily basis, for said different funds and accounts and calculating a corresponding cash surrender value for said life insurance financial product;

means for determining a life insurance base death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status under a net single premium method based on age declining ratio to cash value amount for said life

insurance financial product and age of the insured and his/her risk classification and smoking status, said life insurance base death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and,

means for deducting daily a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product.

159. A computer system with functional modules for a life insurance product as claimed in claim 158 wherein said means for determining said life insurance base death benefit amount sufficient to retain said life insurance status is correlated with means for retaining the tax status of life insurance under current law.

160. A computer system with functional modules for a life insurance product as claimed in claim 158 wherein said life insurance financial product is funded with additional funding premiums; said means for processing accounting for said additional funding premiums and the system includes functional module means for setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.

161. A computer system with functional modules as claimed in claim 158 wherein said different financial investment funds or accounts provide earnings and the system including means for deducting, from said earnings, the cost of said at-risk insurance amount.

162. A computer system with functional modules as claimed in claim 158 wherein said means for subtracting said funding charges involves subtracting funding charges from the group of funding charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

163. A computer system with functional modules as claimed in claim 162 wherein said means for subtracting subtracts funding charges prior to determining account values and calculating said corresponding cash surrender value.

164. A computer system with functional modules as claimed in claim 158 including means for minimizing said cost of said at-risk insurance amount and means for maximizing said cash surrender value for said life insurance financial product.

165. A computer system with functional modules as claimed in claim 158 including means for re-allocating said corresponding cash surrender value into other financial investment funds or accounts and said means for determining account values thereafter determining account values and the corresponding cash surrender value.

166. A computer system with functional modules as claimed in claim 158 wherein said means for determining said life insurance base death benefit amount sufficient to retain said life insurance status is correlated with means for retaining the tax status of life insurance under current law.

167. A computer system with functional modules for establishing and maintaining a financial product as a life insurance product for an insured party comprising:

means for processing an initial funding premium for said life insurance financial product;

means, coupled to said means for processing, for determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts;

means for determining daily account values for said investment accounts and calculating a corresponding cash surrender value for said life insurance financial product;

means for determining a death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product, said death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and,

means for deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain said life insurance status.

168. A computer system with functional modules as claimed in claim 167 wherein said means for deducting deducts daily said cost of said at-risk insurance amount.

169. A computer system with functional modules for a life insurance product as claimed in claim 167 wherein said means for determining determines said initial cash surrender value after accounting for initial funding charges.

170. A computer system with functional modules for a life insurance product as claimed in claim 169 including means for accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

171. A computer system with functional modules for a life insurance product as claimed in claim 170 wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value.

172. A computer system with functional modules for a life insurance product as claimed in claim 169 including means for investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and means for

calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds.

173. A computer system with functional modules for a life insurance product as claimed in claim 169 wherein said means for determining said death benefit amount determines a life insurance base death benefit amount sufficient to retain said life insurance status which status is correlated with retaining the tax status of life insurance under current law.

174. A computer system with functional modules for a life insurance product as claimed in claim 169 wherein said life insurance financial product is funded with additional funding premiums, said means for processing accounting for said additional funding premiums; and including means for setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.

175. A computer system with functional modules for a life insurance product as claimed in claim 167 including means for accounting for earnings provided by said investment accounts and the system includes means for deducting, from said earnings, the cost of said at-risk insurance amount.

176. A computer system with functional modules for a life insurance product as claimed in claim 167 including means for minimizing said cost of said at-risk insurance amount and means for maximizing said cash surrender value for said life insurance financial product.

177. A computer system with functional modules for a life insurance product as claimed in claim 167 including means for re-allocating said corresponding cash surrender value into other financial investment funds or accounts and said means for determining account values thereafter determines said account values and the corresponding cash surrender value.

178. A computer system with functional modules for a life insurance product as claimed in claim 167 wherein said means for determining said initial cash surrender value determines said initial cash surrender value after accounting for initial funding charges.

179. A computer system with functional modules for establishing and maintaining a financial product as a life insurance product for an insured party comprising:

means for processing an funding initial funding premium for said life insurance financial product;

means, coupled to said means for processing, for determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts;

means for determining account values, upon fluctuation of said investment accounts or on a daily basis, for said investment accounts and for calculating a corresponding cash surrender value for said life insurance financial product;

means for determining a death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product, said death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and,

means for deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain said life insurance status.

180. A computer system with functional modules for a life insurance product as claimed in claim 179 wherein said means for determining said death benefit amount involves determining a life insurance base death benefit amount for said insured as a function of said corresponding cash

surrender value sufficient to retain life insurance status under a net single premium method based on age declining ratio to cash value amount for said life insurance financial product and age of the insured and his/her risk classification and smoking status, said life insurance base death benefit amount increasing and decreasing based upon said corresponding cash surrender value.

181. A computer system with functional modules for a life insurance product as claimed in claim 179 wherein said means for determining account values, includes means for deducting daily, or upon said fluctuation of said investment accounts, said cost of said at-risk insurance amount.

182. A computer system with functional modules for a life insurance product as claimed in claim 181 including means for determining said initial cash surrender value after accounting for initial funding charges.

183. A computer system with functional modules for a life insurance product as claimed in claim 182 including means for accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

184. A computer system with functional modules for a life insurance product as claimed in claim 183 including means, coupled to said means for determining account values, for subtracting said funding charges from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value.

185. A computer system with functional modules for a life insurance product as claimed in claim 179 including means for investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and means for

calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds.

186. A computer system with functional modules for a life insurance product as claimed in claim 179 wherein said means for determining said death benefit amount determines a life insurance base death benefit amount sufficient to retain said life insurance status which status is correlated with retaining the tax status of life insurance under current law.

187. A computer system with functional modules for a life insurance product as claimed in claim 179 including means for funding said life insurance financial product with additional funding premiums; and means for setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.

188. A computer system with functional modules for a life insurance product as claimed in claim 179 wherein said investment accounts provide earnings, the system including means for accounting for said earnings and including means for deducting, from said earnings, the cost of said at-risk insurance amount.

189. A computer system with functional modules for a life insurance product as claimed in claim 179 including means for minimizing said cost of said at-risk insurance amount and means for maximizing said cash surrender value for said life insurance financial product.

190. A computer system with functional modules for a life insurance product as claimed in claim 179 including means for re-allocating said corresponding cash surrender value into other financial investment funds or accounts and said means for determining account values thereafter determines account values and the corresponding cash surrender value.

191. A computer system with functional modules for establishing and maintaining a financial product as a life insurance product for an insured party comprising:

means for processing an initial funding premium for said life insurance financial product with;

means, coupled to said means for processing, for determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts;

means for minimizing life insurance costs with:

means for determining daily account values for said investment accounts and for calculating a corresponding cash surrender value for said life insurance financial product;

means for determining daily a minimum amount of life insurance death benefit for said insured as a function of said corresponding cash surrender value, said minimum life insurance with death benefit being that minimum required to maintain said life insurance financial product as life insurance and said death benefit amount increasing and decreasing based upon said corresponding cash surrender value;

means for deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product.

192. A computer system with functional modules for a life insurance product as claimed in claim 191 wherein said means for determining said minimum amount of life insurance death benefit

determining a minimum death benefit required to maintain said life insurance financial product as life insurance based upon said daily cash surrender value and an age declining ratio to cash value amount for said life insurance financial product.

193. A computer system with functional modules for a life insurance product as claimed in claim 191 wherein said means for deducting a cost of an at-risk insurance amount includes means for deducting daily said cost of said at-risk insurance amount.

194. A computer system with functional modules for a life insurance product as claimed in claim 191 including means for determining said initial cash surrender value after accounting for initial funding charges.

195. A computer system with functional modules for a life insurance product as claimed in claim 194 including means for accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge.

196. A computer system with functional modules for a life insurance product as claimed in claim 195 including means for subtracting said funding charges from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value.

197. A computer system with functional modules for a life insurance product as claimed in claim 191 including means for investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and means for calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds.

198. A computer system with functional modules for a life insurance product as claimed in claim 191 wherein said means for determining said life insurance death benefit amount determines a life insurance base death benefit amount sufficient to retain said life insurance status which status is correlated with retaining the tax status of life insurance under current law.

199. A computer system with functional modules for a life insurance product as claimed in claim 191 wherein said life insurance financial product is funded with additional funding premiums, said means for processing accounting for said additional funding premiums; and the system including means for setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued.

200. A computer system with functional modules for a life insurance product as claimed in claim 191 wherein said investment accounts provide earnings, said means for determining account values including means for accounting for said earnings, and the system including means for deducting, from said earnings, the cost of said at-risk insurance amount.

201. A computer system with functional modules for a life insurance product as claimed in claim 191 including means for re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value.

(ix) **Evidence Appendix - 34 C.F.R. § 41.37(c)(1)(ix)**

Evidence Appendix - 34 C.F.R. § 41.37(c)(1)(ix)

None.

(x) **Related Proceedings Appendix - 34 C.F.R. § 41.37(c)(1)(x)**

None.

Respectfully submitted,

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By: /Robert Kain/

Robert C. Kain, Jr

Reg. No. 30,648

Fleit, Kain, Gibbons, Gutman, Bongini & Bianco, P.L.

750 Southeast Third Avenue, Suite 100

Ft. Lauderdale, FL 33316

Telephone: 954-768-9002

Facsimile: 954-768-0158

e-mail: rkain@focusonip.com

Attorney for Applicant

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I hereby certify that this correspondence is being e-filed with the Commissioner for Patents,
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/Robert Kain/

Robert C. Kain, Jr.

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